

The background features a dark blue gradient with several glowing teal lines and circular dots of varying sizes, creating a sense of motion and technology.

Siemens Ltd.

Q4 FY 2021 Analyst call

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SIEMENS

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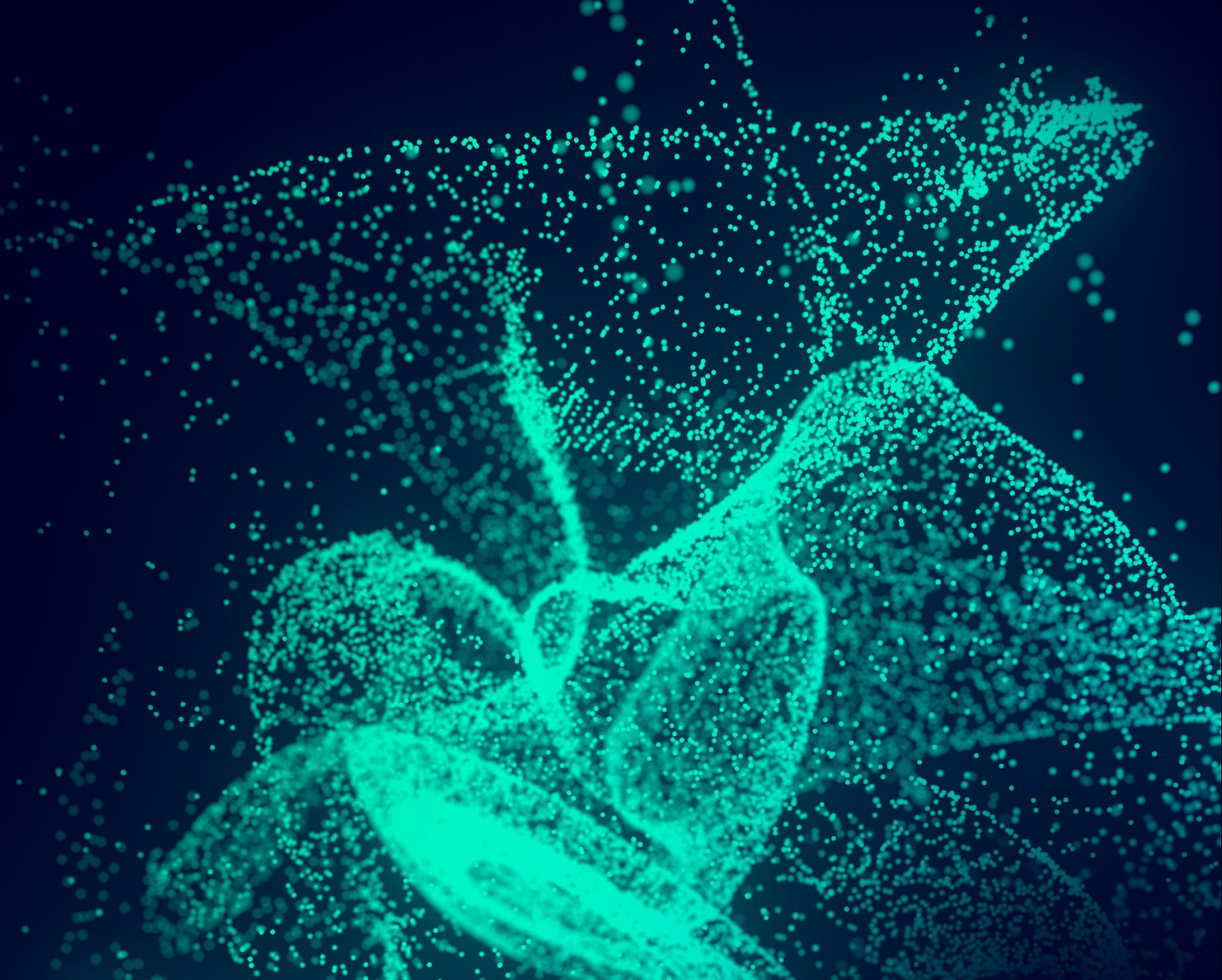
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Agenda

Business highlights

Financial highlights

Outlook



Economy demonstrated resilience despite strong 2nd Covid wave

Macroeconomic Overview



Most high-frequency indicators at pre-covid levels

- Strong boost in **Central Government capex** | Focus on infrastructure development
- **State Government capex** still to revive
- Uptick in **Private Sector capex**



Covid fast-tracked **adoption of Digitalization**



Supply chain shortages, high logistics costs, rising commodity prices and **Covid-19** still a cause of concern

Verticals Performance in FY-21



Automotive



Pharma



Power T&D



Buildings



Steel & Cement



F&B



Railways



Metro



Strong double digit growth in all our businesses

FY-21 Growth drivers

Energy

↗ 19%



- Industrial Captive Power, WHR ¹⁾
- TBCB, STATCOM orders
- Modernization and Upgrades for turbines

Smart Infrastructure

↗ 24%



- Projects in Solar, Tunnel and Industrial space
- Power Distribution substations
- Data Center, Energy Efficiency in commercial complexes

Digital Industries

↗ 52%



- Automation and Digitalization in Electronics, Infra, F&B, Steel, Cement, Pharma, Intralogistics

Mobility

↗ 63%



- Major DFCC order
- Mainline and Metro Electrification projects
- Repeat AMC ²⁾ orders

1) Waste Heat Recovery 2) Annual Maintenance Contracts

Highlights of key orders won

Key orders in H2-FY22 – examples

STATCOM projects in Rajasthan



World's largest STATCOM projects for RE integration

Electrification of Railways



Partnering with Indian Railways to decarbonize mainline operations

E&A¹⁾ for Cement plants & Grinding Unit



Capacity expansion projects for one of largest cement producer in India

Turbine modernization & upgrade



Upgrade controls, fire & gas system, vibration monitoring for 18x turbines in O&G industry

AMC for EMU, Central Railways



Reliable services led to repeat EMU maintenance contract for Central Railways

Power equipment solutions, Data Center



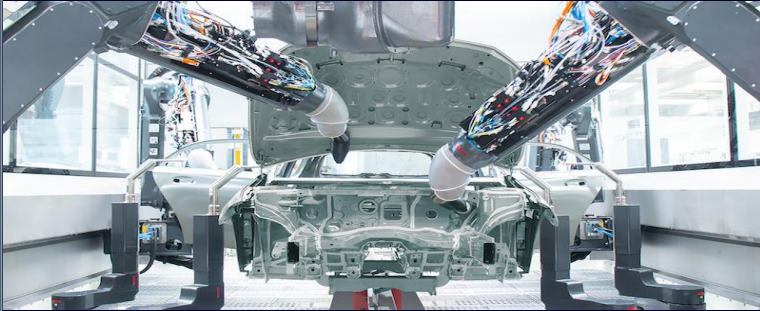
High and Medium voltage power equipment and integration solution for Data Center project

1) Waste Heat Recovery 2) Voltage Source Inverter

Momentum in Digitalization adoption across sectors

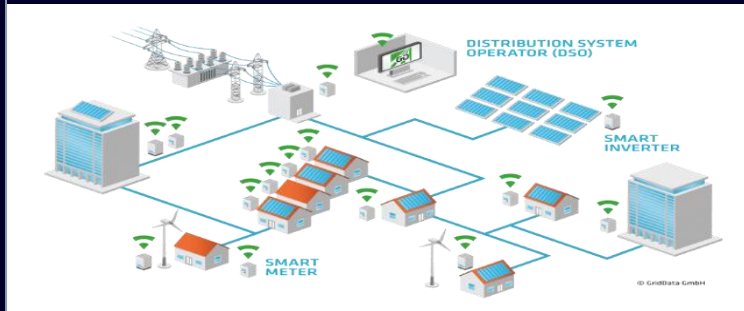
Digitalization success – examples

Auto – Paint shop analytics



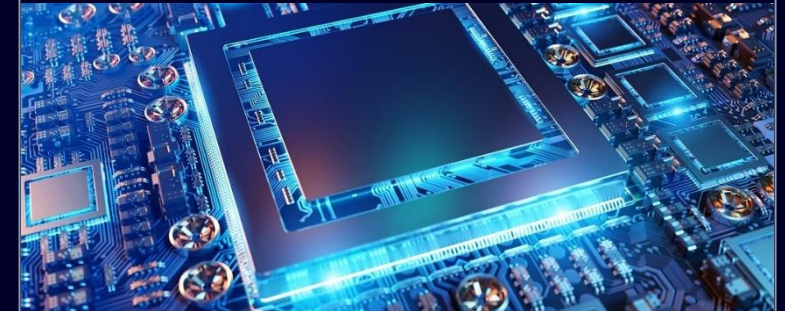
Operational transparency, Data analytics to improve production efficiency by >15%

Energy Distribution – Smart metering



Meter data management software connecting smart meters and reduce AT&C losses

Electronics – Quality improvement



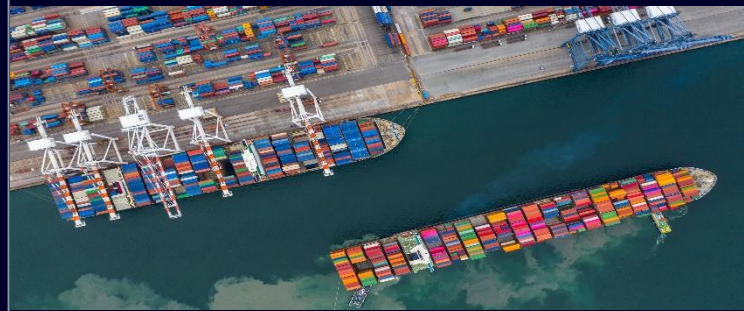
MES ¹⁾ and QMS ²⁾ for improved planning, resource allocation, quality and production

Steel – Digital Logistics



Improve Turn-Around-Time by integrating the logistics ecosystem with its Digital twin

Ports – EEA³⁾ and crane hybridization



RE Integration and Energy Optimization for one of the busiest container terminals in India

Chemical – Remote diagnostic services



Predictive maintenance led to a reduction in risk of unplanned outages of powertrain

1) Management Execution System 2) Quality Management System 3) Energy Efficiency Analytics

Scalable Digitalization offerings making us the partner of choice

Digital offerings – examples

OT Cybersecurity solutions for industry



- Projects across Verticals – Paints, Utilities, Steel, Cement, ...
- OT assessment (CERT-in), **anomaly and threat detection**, secured network implementation

Hydropower plant – Industrial Edge



- **Industrial Edge** order from a leading hydropower plant in Sri Lanka
- **Plant efficiency**, cost reduction and **managing critical KPIs**

Sensegear – Digitalize GIS ¹⁾



- Cloud based solution to **monitor** and **analyze** health of critical GIS ¹⁾ assets
- **Analytics** for predictive and preventive maintenance

Clean Drinking water with IOT solution



- IOT solution with **Analytics** for PWD water
- **Reducing ~25% wastage**, managing peak loads

1) Gas Insulated Switchgear

Strengthening our portfolio !



Combining the real and digital worlds as foundation of our high-value growth strategy

Global Acquisitions



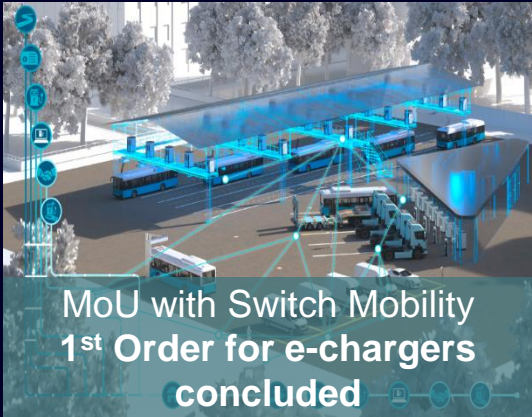
Design-to-Source platform for electronics value chain to develop products faster



SaaS provider for inventory management, reservation, & ticketing software



Strong switchgear portfolio for Indian and Global M3 markets
(Siemens Ltd. Acquisition)



MoU with Switch Mobility
1st Order for e-chargers
concluded



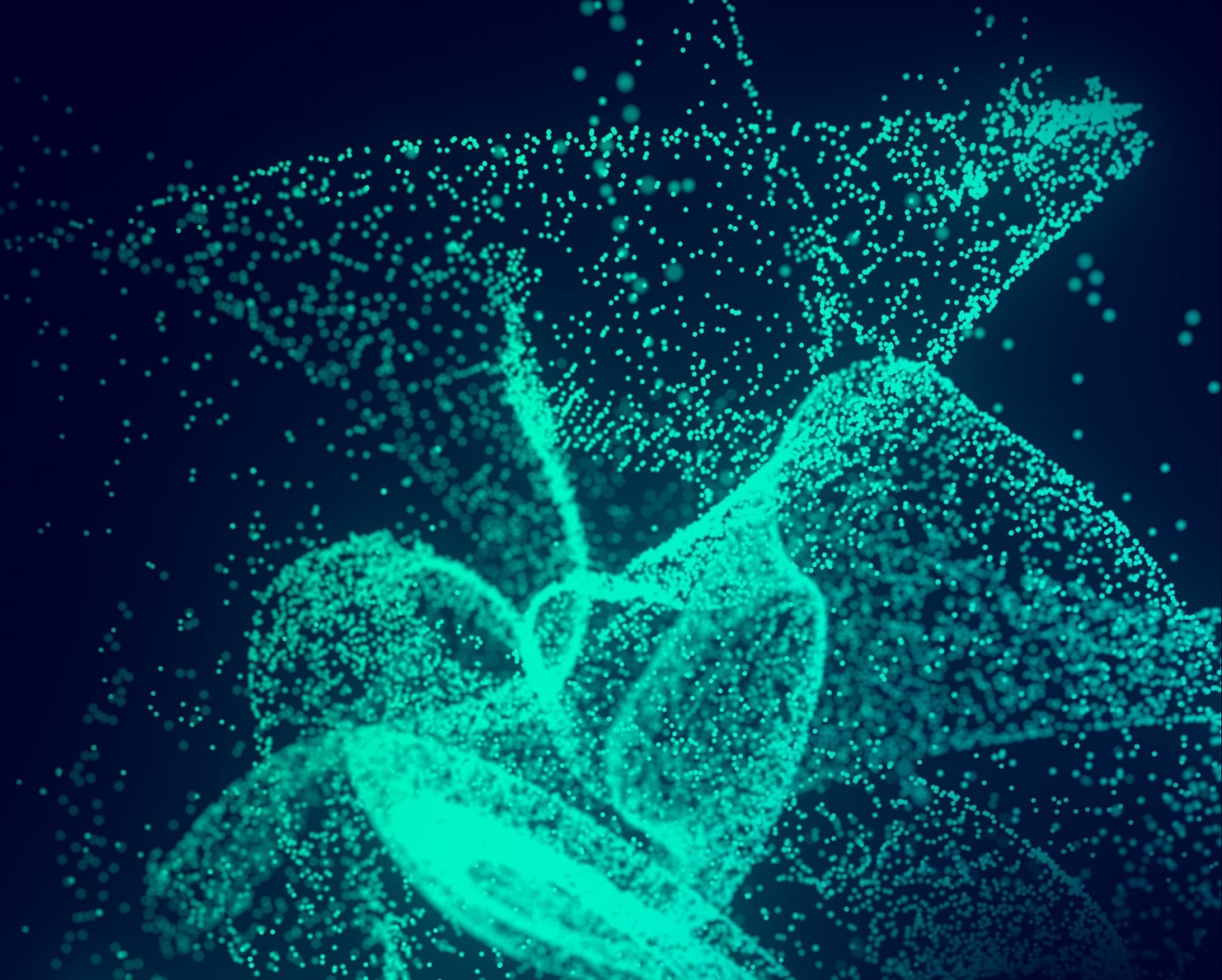
Smart Meter Data
Management solutions for
Tata Power DDL

Agenda

Business highlights

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Outlook



Strong business performance achieved in Q4 FY 21

(Continuing Operations without Mechanical Drives business)

New Orders

(y-o-y)

+4.9%



Revenue

(y-o-y)

+15.2%



EBITDA

(% of revenue)

+10.9%



Profit before Tax

(% of revenue)

+10.9%



Profit after Tax

(% of revenue)

+8.2%



Earnings per Share

(in INR)

₹ 9.07



FY 21 with sustained performance across all key parameters

(Continuing Operations without Mechanical Drives business)

New Orders

(y-o-y)

+32.4%



Revenue

(y-o-y)

+33.1%



EBITDA

(% of revenue)

+11.4%



Profit before Tax

(% of revenue)

+11.2%



Profit after Tax

(% of revenue)

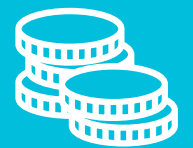
+8.3%



Cash from Operations

(in billion INR)

₹16.8

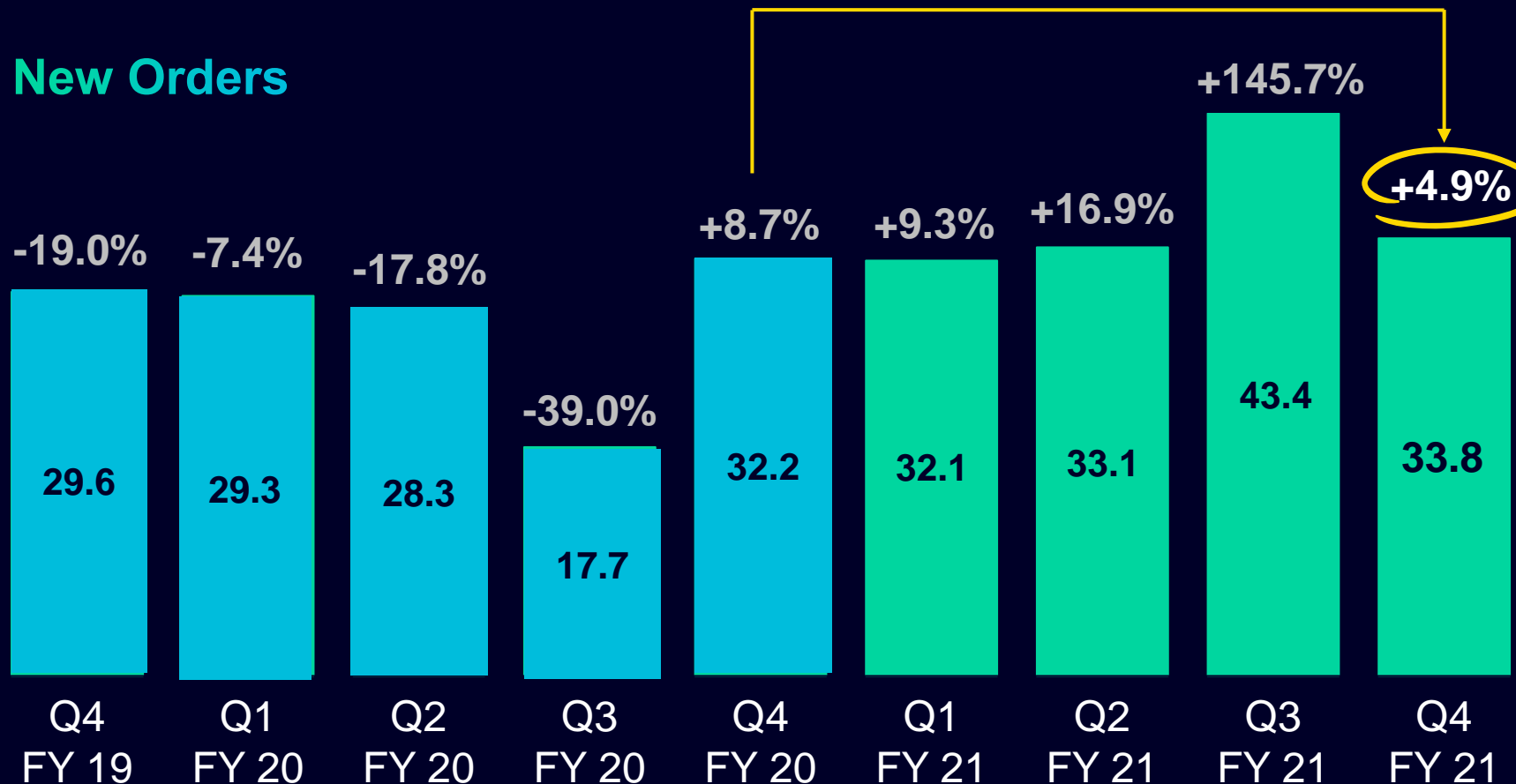


New Orders growth backed by several key orders in FY 21

(Continuing Operations without Mechanical Drives business)

figures in billion INR
% y-o-y development

New Orders



Positive growth in 5 consecutive quarters



Despite COVID 2nd wave New Orders growth in FY 21



Healthy order backlog of 135.2



1st wave

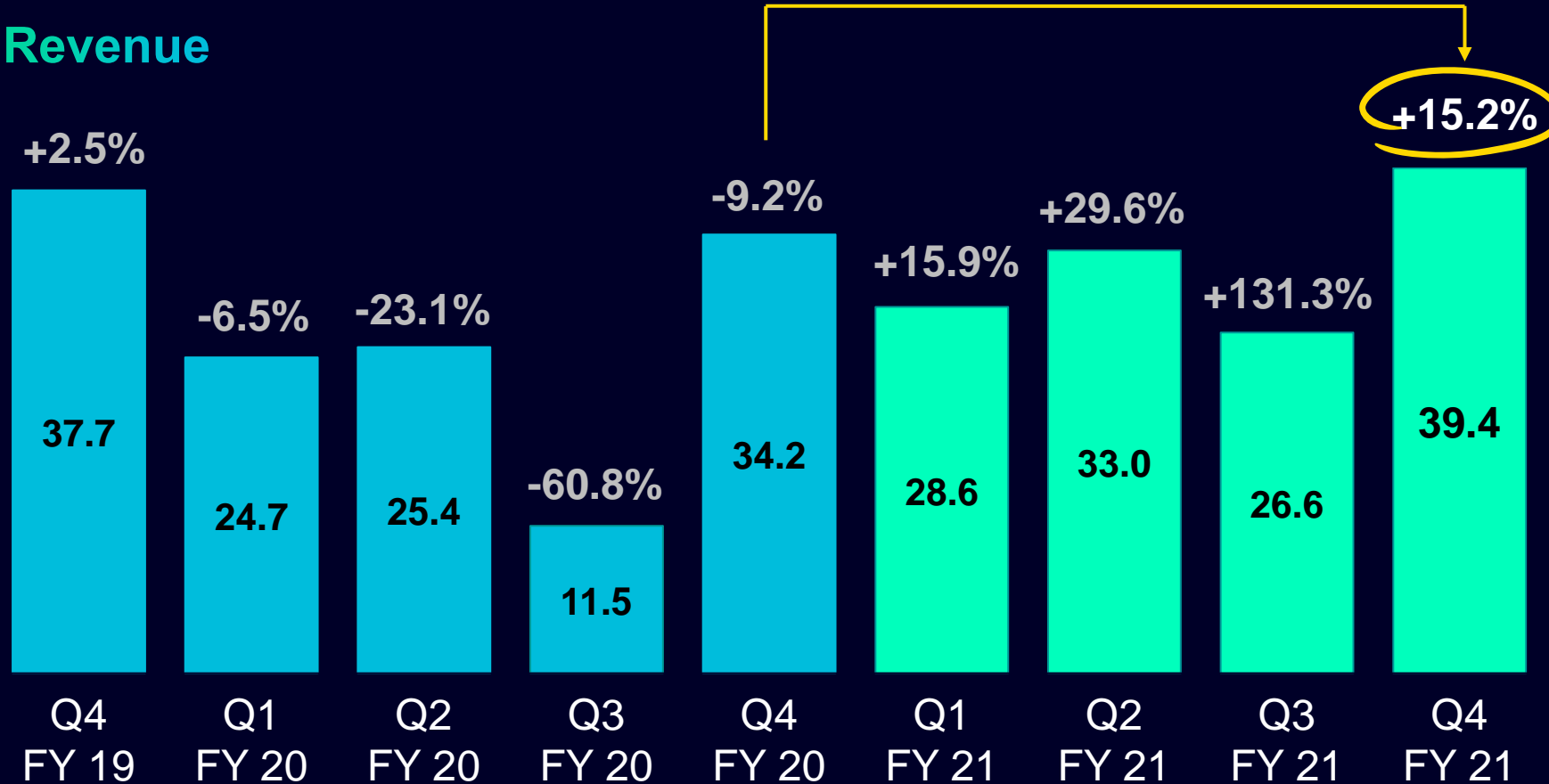
2nd wave

Substantial Revenue growth in FY 21 with strong finish in Q4 FY 21

(Continuing Operations without Mechanical Drives business)

figures in billion INR
% y-o-y development

Revenue



Revenue growth
in every quarter of
FY 21



Stringent order
backlog execution



Book-to-bill at 1.12
trends towards
growth



1st wave

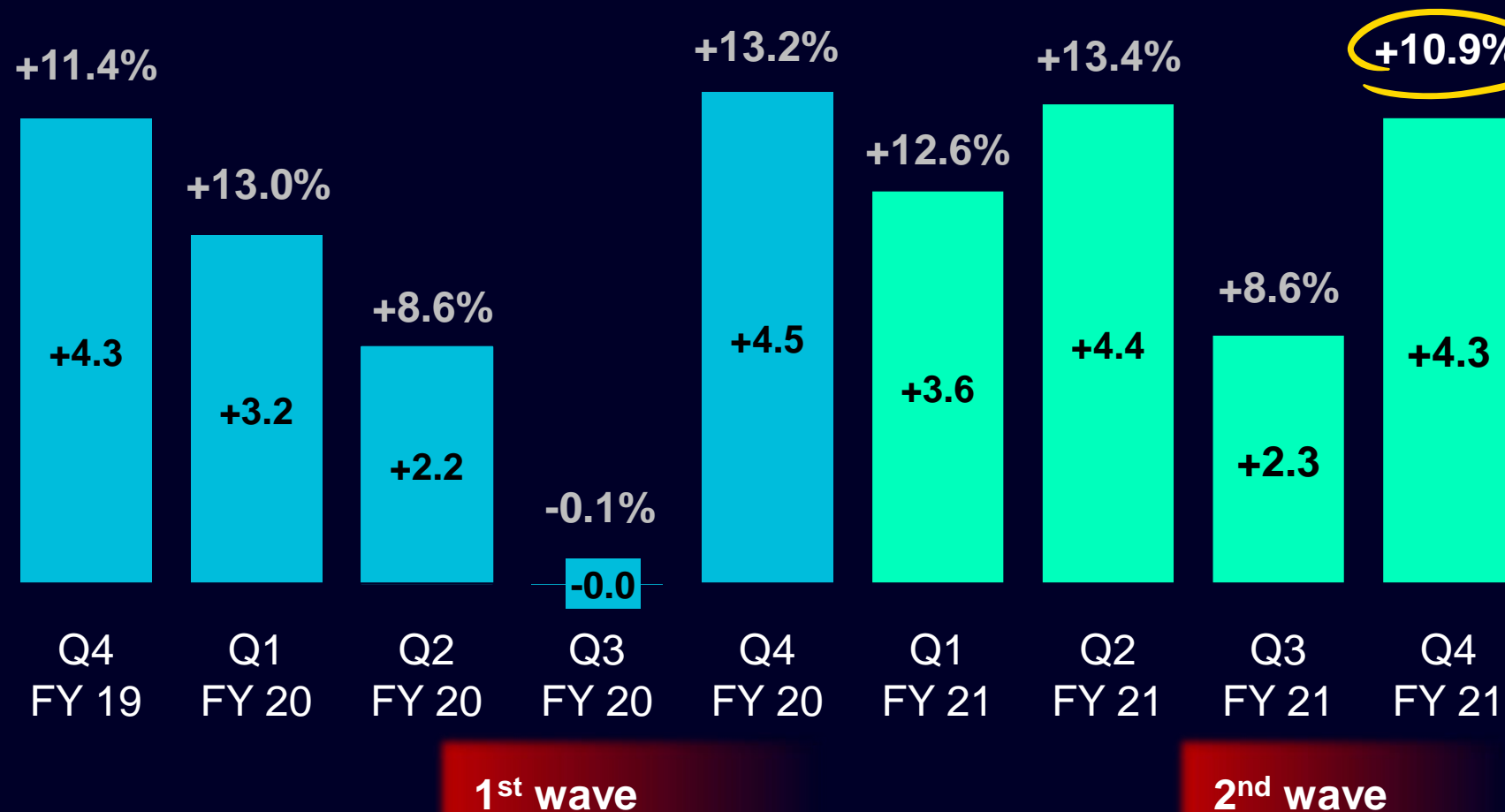
2nd wave

EBITDA margin back to double digit after Q3 FY 21 impacted by 2nd wave


(Continuing Operations without Mechanical Drives business)

figures in billion INR
% of revenue


EBITDA



Operational margin stable 

Increased raw material, component & logistics costs offset by effective hedging and pricing 

Discretionary spending still on low level 

COVID-care related higher costs 

Lower export incentives (MEIS/ SEIS) 

1st wave

2nd wave

EBITDA bridge showing stable operational margin quality

(Continuing Operations without Mechanical Drives business)

figures in million INR

	FY 20	FY 21	Q4 FY 20	Q4 FY 21
Revenue from contracts with customers	95,808	127,559	34,223	39,395
EBITDA (as reported)	+9,902	+14,595	+4,529	+4,286
<i>Margin (% of revenue)</i>	+10.3%	+11.4%	+13.2%	+10.9%
<i>Included:</i>				
Under absorption	-2,847	-262	-590	-
Forex and Commodity gains/losses	+91	+348	+592	-147
Export Incentives	+761	+143	+212	-95
Adjusted EBITDA	+11,897	+14,366	+4,315	+4,527
<i>Margin (% of revenue)</i>	+12.4%	+11.3%	+12.6%	+11.5%
Packing and forwarding charges	-966	-1,886	-301	-619

Business portfolio mix

(Continuing Operations without Mechanical Drives business)

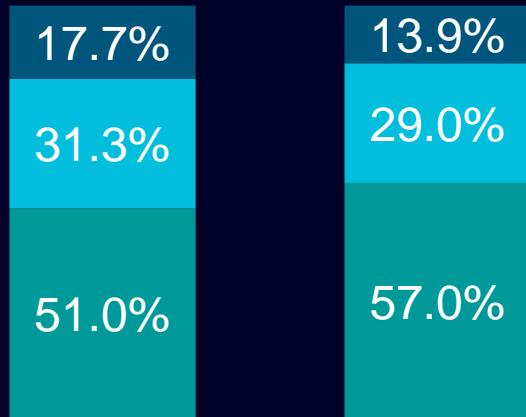
% of revenue

Sales Mix Export & Domestic Government & Private

- Service
- Project
- Product

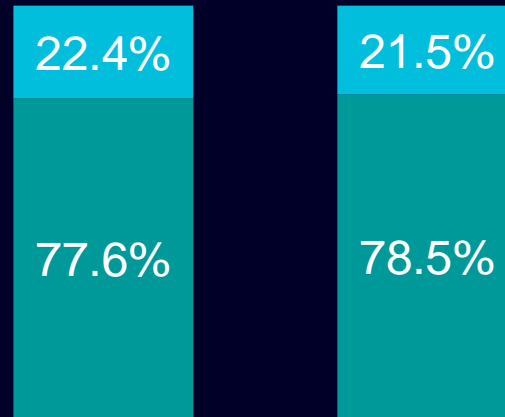
- Export
- Domestic

- Government
- Private



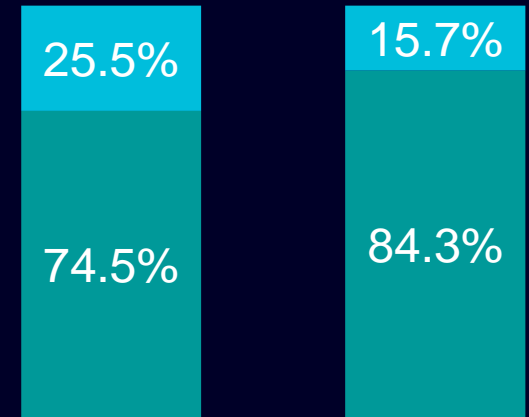
FY 20

FY 21



FY 20

FY 21



FY 20

FY 21

- Growth in short cycle product business (SI/ DI)

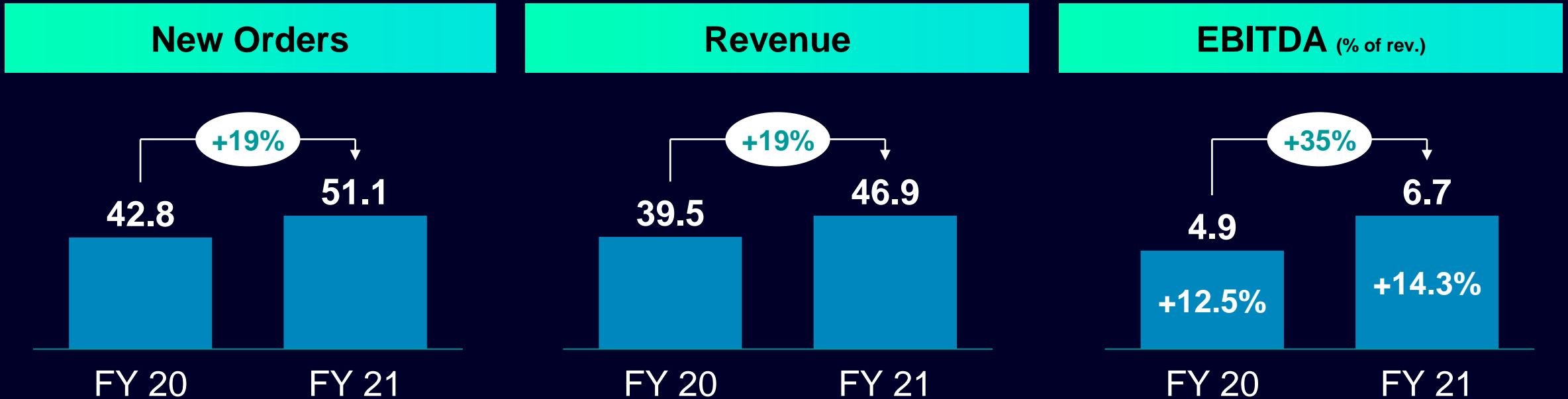
- Increase in share of domestic business

- Growth primarily with private customers

Energy (SE):

Continuing strength in Energy business with robust profitability growth

figures in billion INR



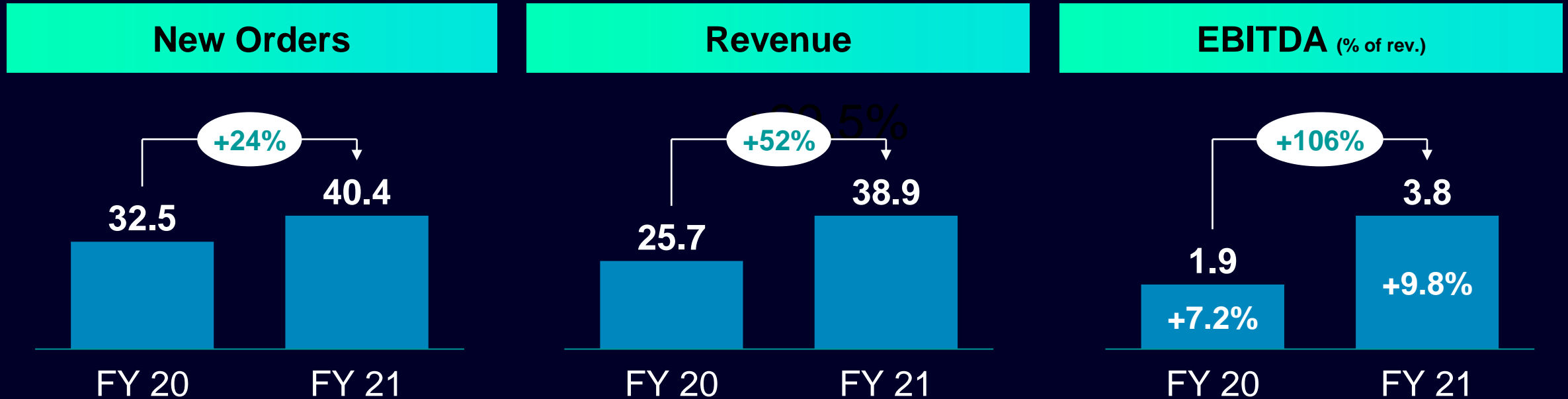
- Growth contribution from Transmission, Generation and Service business
- Key orders from private and government customers

- Execution of very strong order backlog
- Strong revenue growth in FY 21 despite COVID related restrictions

- Solid operational execution
- Higher forex gains offsetting lower export incentives

Smart Infrastructure (SI): Top line returning to pre-Covid levels with underlying margin recovery

figures in billion INR



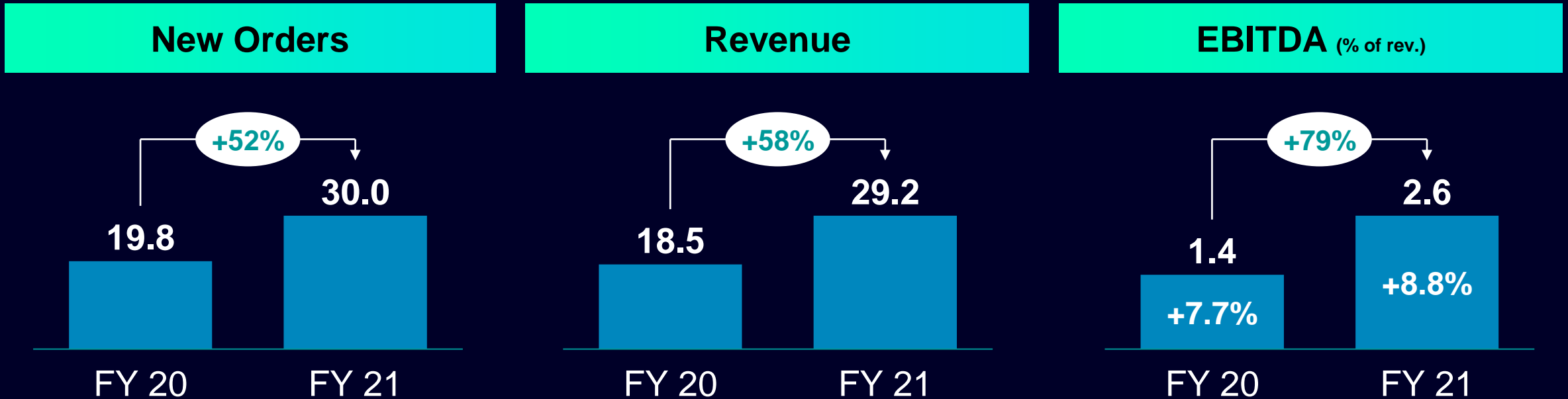
- Increased off takes by OEMs, strong performance in sectors like Steel, Cement coupled with infra thrust in Data Centers, Railways

- High growth in main sub segments and especially in electrical products

- Cost control measures and operational excellence improved profitability

Digital Industries (DI): Broad-based volume surge across main verticals driving margin up

figures in billion INR



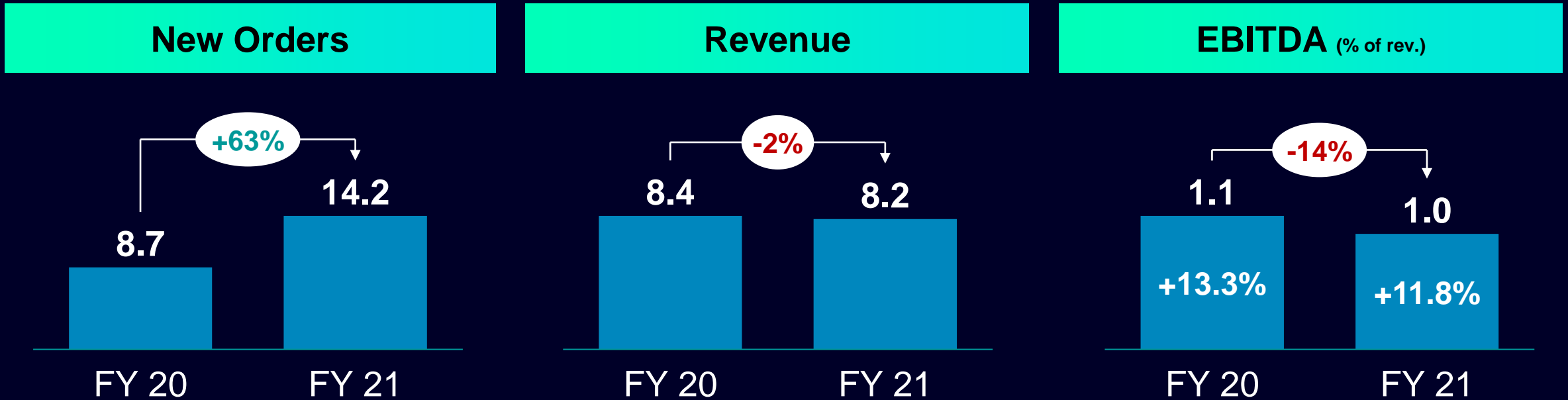
- High customer demand across most key sectors like Electronics, Infra, F&B, Steel, Cement, Pharma, Intralogistics

- Healthy Order backlog and focused execution ensured solid Revenue growth

- Maintained price levels offsetting higher input costs and forex losses

Mobility (MO): Sharp increase in orders while revenue and profitability muted

figures in billion INR



- Key orders in FY 21 from Railways and Metros

- Revenue decline in Locomotive components
- Lower backlog in electrification & signaling business

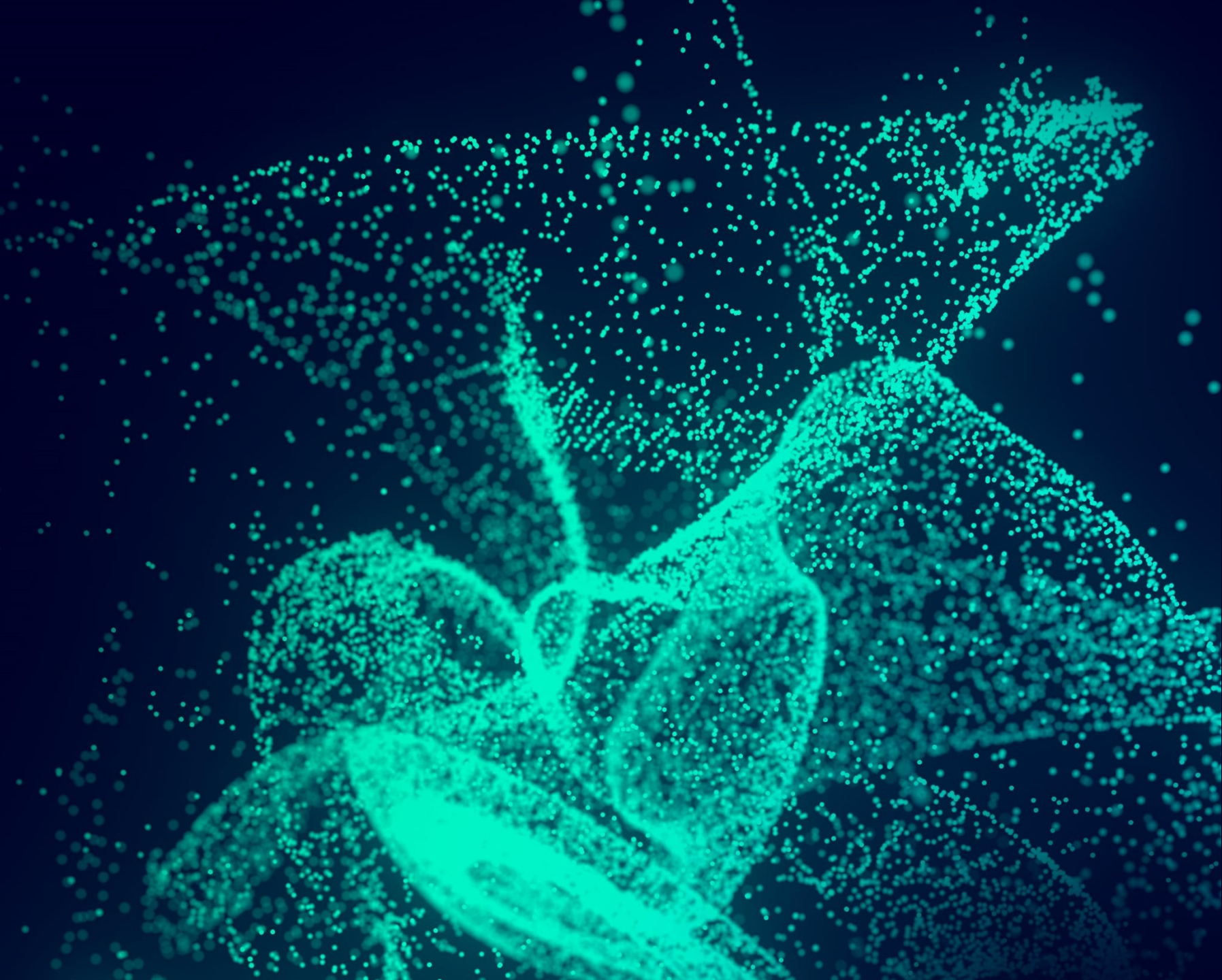
- Lower revenue and less favorable mix impacted profitability

Agenda

Business highlights

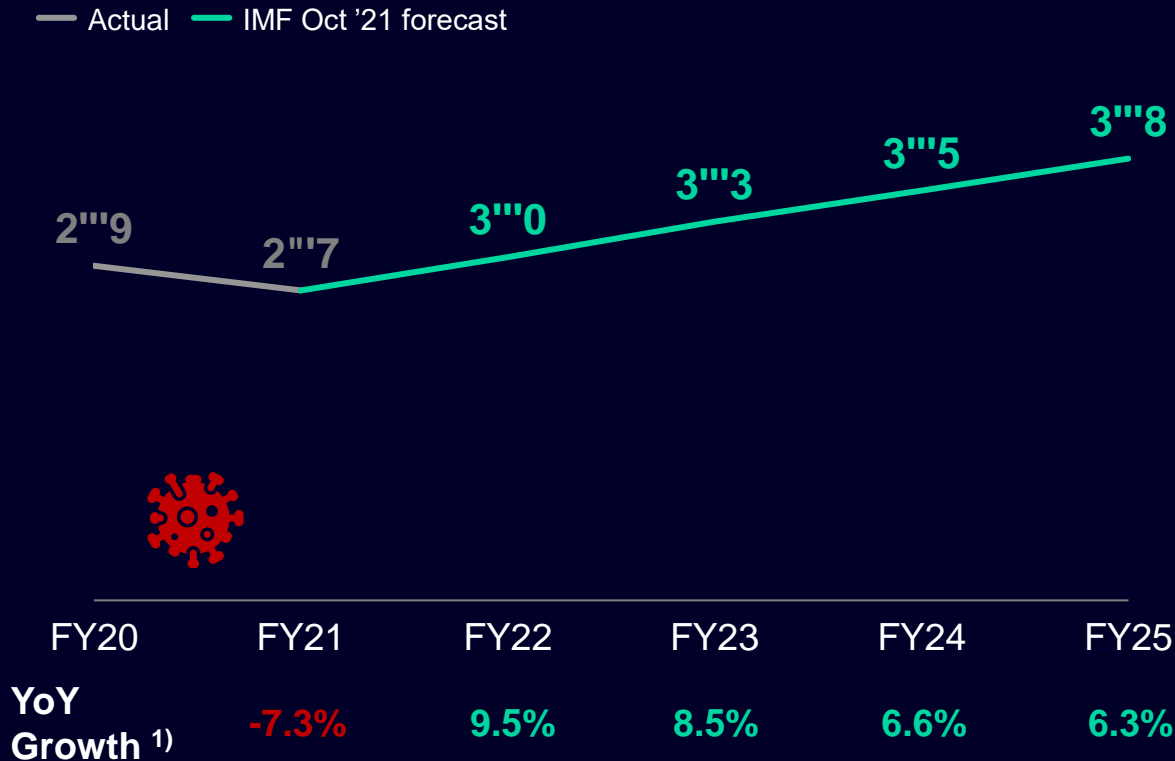
Financial highlights

Outlook



Long term growth intact | NIP and PLI driving investments

GDP in USD at current prices



National Infrastructure Pipeline

- Master plan to drive **Infrastructure growth** | Major investments from Centre and State governments
- Opportunities in **Ports, Airports, Metros, Urban and Rural Infrastructure, Irrigation ...**

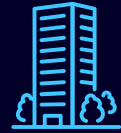
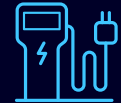



Production Linked Incentive scheme

- Key **driver for capex** in private sector
- Plugs the **import - export gap** | Impetus on **local-for-local** and **local-for-global**

1) Based on GDP in constant INR prices (base year 2011-12)

Government pushing investments in infrastructure India Inc. focusing on local manufacturing

	Generation	↗	Industrial CPP ¹⁾ driving demand Investments in clean energy
	Transmission	↗	Renewables to drive grid stability projects and capacity enhancement
	Utilities	↗	Next gen reforms for Discoms RE integration to drive growth
	Railways	↗	Long term boost by NRP ²⁾ 2030 and 100% electrification target
	Metro	↑	Metro projects in multiple cities to drive growth

	Buildings	↗	Growth in Data Centers, E-commerce
	e-Charging	↑	eV sales growing under FAME ³⁾ , 3 million charging stations by 2030
	Automotive	↗	PLI, 100% FDI, 30% eV penetration by 2030 to boost investments
	Pharma	↑	PLI push and healthcare focus fuel automation and digitalization solutions
	F&B	↑	Growing local demand to boost capacity enhancement investments

1) Captive Power Plant 2) National Railway Plan 3) Faster adoption and manufacturing of hybrid and electric vehicles

Our **DEGREE Framework** sets clear priorities for Sustainability at Siemens



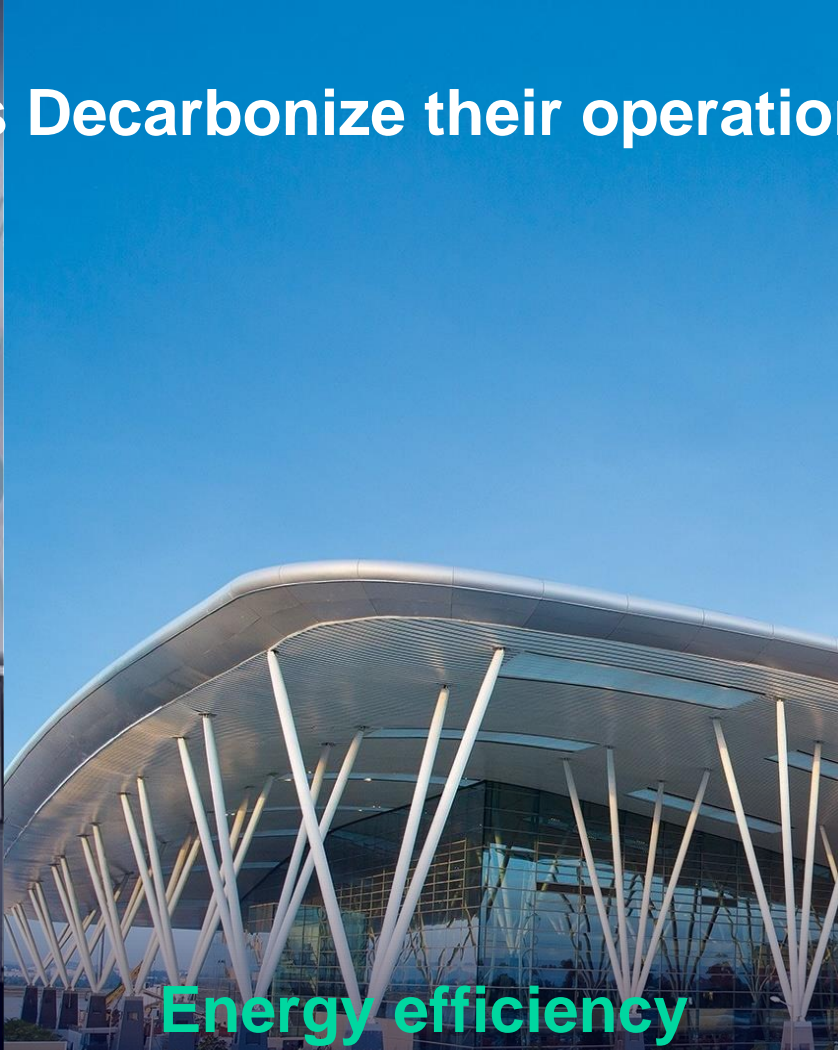
We support our customers Decarbonize their operations



E-Ferries

e.g. Cochin Shipyard

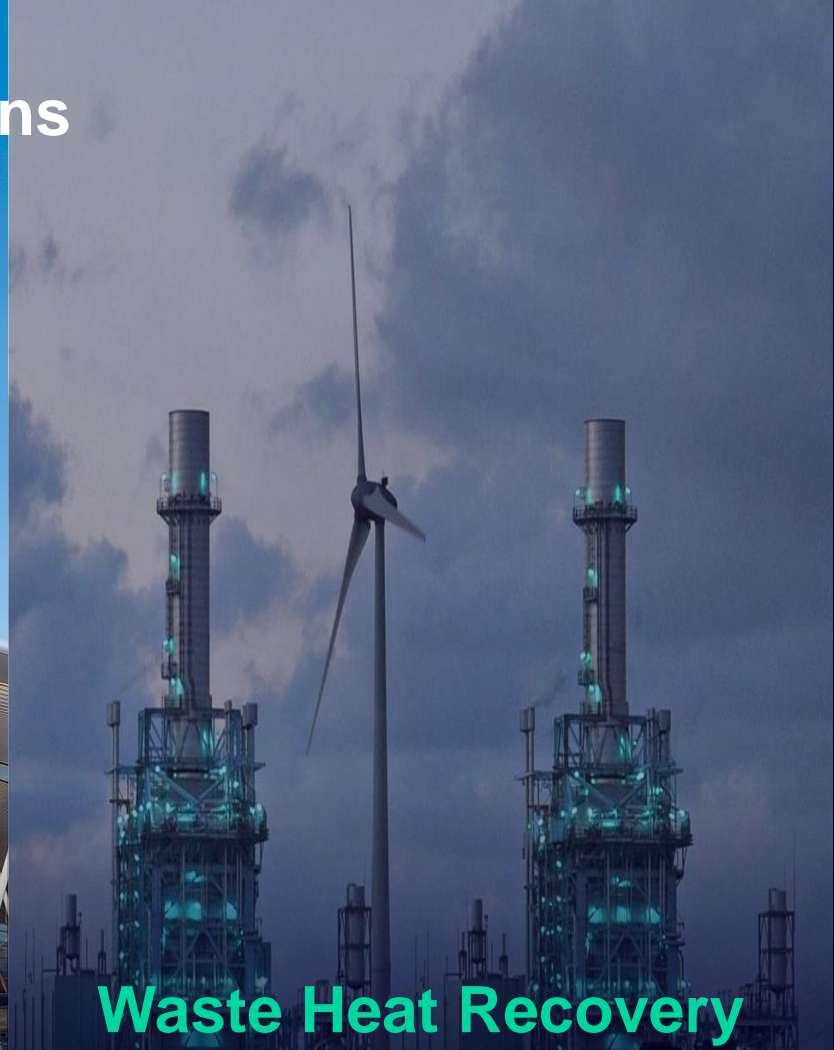
Electric Propulsion and Energy Storage to ensure power continuity while maximizing performance, reducing operational costs and emissions



Energy efficiency

e.g. A busy Indian Airport

Chiller plant optimization using AI based patented solution Demand Flow™ substantially reducing carbon footprint and energy costs



Waste Heat Recovery

e.g. Large Cement producer

Industrial customers utilizing the waste heat making the entire operations efficient while decarbonizing the process

Siemens Ltd. is well positioned in all verticals for profitable growth !

Energy



- Industrial Captive Power Generation, WHR ¹⁾ (e.g. Cement, fertilizer, etc.)
- RE integration projects in Transmission
- Power Plant optimizations

Infrastructure



- Opportunities from National Infrastructure Pipeline
- Upgradation of Distribution systems by state utilities
- e-Charging Infrastructure

Industry



- Increased PLI led Capex investments
- Capacity expansion in Industries
- Increased demand for Automation & Digitalization solutions

Railway / Metro



- Electrification and Signalling in Railways
- Metro projects in multiple cities

Decarbonisation

Ethics

Governance

Resource efficiency

Equity

Employability



DEGREE

Central framework in our growth strategy

1) Waste Heat Recovery

Thank you



Q



A

